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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE

Michigan Employment Security Commission

Jobless Rate Continues Downward Trend

In July, unemployment continued to decline in Michigan as the jobless rate dropped by 1.5 percentage points to 13.1 percent. The drop in unemployment marks the fourth consecutive month that the state's rate has fallen. The number of unemployed individuals in the state fell by 73,000 in July to reach 575,000. Seasonal hiring gains in the construction and service related industries along with a decline in the civilian labor force helped account for the drop in joblessness. Michigan's total work force decreased by 16,000 to 4,404,000 during the month as summer job seekers discontinued their job searches. Total employment jumped by 56,000 to 3,829,000, its highest level since October 1981. Compared with July 1982, employment in Michigan has increased by 92,000 while the size of the labor force has expanded by 22,000. The result is 70,000 fewer individuals out of work and a jobless rate 1.6 percent lower than the 14.7 percent recorded in July 1982.

Employment Opportunities Decline

Michigan's wage and salary employment fell for the first time in six months as industry jobs totaled 3,178,500. Approximately 14,700 positions were eliminated as all three sectors suffered job losses in July. Public sector employment at 564,700, experienced the greatest job decline as local educational institutions continued summer furloughs. Nearly 9,500 state and local governmental positions were lost due to normal seasonal factors. Additional job losses were encountered as private nonmanufacturing employment fell by 3,200 to 1,741,600. Seasonal job gains in construction and service-related industries were more than offset by heavy losses in retail trade. Manufacturing employment showed the smallest job decline as total sector employment fell by 2,000 to 872,200. Minor gains and losses throughout the sector caused the marginal loss of positions. Over the year, significant growth in governmental employment has enabled total wage and salary jobs to increase by 9,100 positions. Conversely, both manufacturing and nonmanufacturing employment have attempted to offset the public sector growth by eliminating 4,200 and 8,200 positions, respectively.

Civilian Labor Force, Employment and Unemployment Estimates

July, 1983 (Preliminary)

Area	Civilian Labor Force	Total Employment	Unemployment Number	Unemployment Rate
Michigan	4,404,000	3,829,000	575,000	13.1%
Ann Arbor-Ypsilanti	145,500	132,300	13,200	9.1
Battle Creek SMSA	84,700	74,200	10,500	12.4
Bay City-SMSA	55,300	46,700	8,600	15.6
Benton Harbor-SMSA	72,100	61,600	10,500	14.6
Detroit	2,019,800	1,744,800	275,000	13.6
Flint-SMSA	233,000	195,000	38,000	16.3
Grand Rapids SMSA	341,200	304,300	36,900	10.8
Jackson-SMSA	66,000	56,100	9,900	15.0
Kalamazoo-Portage SMSA	139,100	124,700	14,400	10.4
Lansing-East Lansing-SMSA	246,800	224,700	22,100	9.0
Muskegon-Norton Shores-Muskegon Heights SMSA	81,100	69,300	11,800	14.5
Saginaw-SMSA	101,200	88,200	13,000	12.8
Upper Peninsula LMA	148,300	127,000	21,300	14.4

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

Item	July 1983	June 1983	May 1983	July 1982
PLACE OF RESIDENCE				
Civilian Labor Force	4,404.0	4,421.0	4,377.0	4,382.0
Employment	3,829.0	3,773.0	3,736.0	3,737.0
Unemployment	575.0	648.0	641.0	645.0
Rate	13.1%	14.7%	14.7%	14.7%
PLACE OF WORK				
Wage and Salary Employment	3,178.5	3,193.2	3,184.9	3,169.4
Manufacturing	872.2	874.2	869.1	876.4
Durables	672.0	673.5	672.5	681.8
Lumber & Wood Products	10.5	10.5	10.3	9.2
Furniture & Fixtures	20.8	20.3	19.7	20.9
Metals	148.6	151.0	150.3	152.0
Primary Metals	46.3	46.5	46.7	48.5
Fabricated Metals	102.3	104.5	103.6	103.5
Nonelectrical Machinery	114.8	115.5	115.3	127.8*
Electrical Machinery	29.2	29.2	28.8	30.5
Transportation Equipment	315.5	313.9	315.3	307.9
Motor Vehicles & Equip.	297.7	296.3	298.0	292.0
Other Transportation Equip.	17.8	17.6	17.3	15.9
Other Durables	32.6	33.1	32.8	33.5
Nondurables	200.2	200.7	196.6	194.6
Food & Kindred Products	49.8	47.7	45.5	49.0
Textiles & Apparel	18.5	19.4	18.8	17.8
Paper & Allied Products	21.0	21.3	20.9	20.5
Printing & Publishing	31.8	32.3	31.7	31.0
Chemicals & Petroleum	45.0	44.9	44.8	45.3
Other Nondurables	34.1	35.1	34.9	31.0
Nonmanufacturing	1,741.6	1,744.8	1,724.1	1,749.8
Construction	96.3	93.7	87.8	98.2
Trans., Commun., & Utilities	137.6	138.6	137.5	142.7
Wholesale Trade	143.8	143.8	142.0	149.0
Retail Trade	539.7	546.0	539.7	539.0
Finance, Real Estate & Ins.	152.6	152.2	150.7	153.5
Services	661.1	659.8	656.0	656.9
Mining	10.5	10.7	10.4	10.5
Government	564.7	574.2	591.7	543.2
Federal	58.3	58.1	57.6	59.8
State	133.6	138.7	143.5	129.1
Local	372.8	377.4	390.6	354.3
Workers Involved in Labor Disputes	1.2	1.0	1.0	1.5

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1982 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program — March 1982 Benchmark.

Claims Activity

The number of individuals collecting regular unemployment benefits in Michigan declined for the sixth consecutive month in July. The regular benefit claims load averaged 128,280 per week in July, approximately 7,245 or 5 percent lower than the month ago total. In July 1982, the number of claimants drawing benefits under the regular program averaged 216,920.

During the same time period, the number of persons collecting benefits under the Federal Supplemental Compensation (FSC) program dropped by 30 percent. The number of claimants receiving FSC benefits decreased by 36,030 to total 85,220. The Extended Benefit (EB) program triggered off May 21, 1983 thereby disqualifying claimants from collecting benefits under that program.

Weekly Claims for Unemployment Insurance

Week Ending	Regular Program Total	Regular Program Initial	Regular Program Cont'd	Federal Supplemental Compensation Total	Federal Supplemental Compensation Initial	Federal Supplemental Compensation Cont'd
July 2, 1983	123,700	16,000	107,700	104,500	7,100	97,400
July 9, 1983	115,600	17,100	98,500	84,800	5,600	79,200
July 16, 1983	125,700	17,400	108,300	83,100	5,700	77,400
July 23, 1983	134,000	29,200	104,800	78,300	5,400	72,900
July 30, 1983	142,400	30,000	112,400	75,400	5,000	70,400

Modest Price Increase

The Consumer Price Index for the Detroit Metropolitan area rose by sixth tenths of a percent over the month to reach 298.4 points in July. The rise in Detroit area prices was primarily the result of significant advances in fuel, women's apparel, public transportation and miscellaneous goods and services. These increases were partially offset by lower food prices, however, the area cost of living climbed by 1.8 points over the month. Prices in the area increased by 2.1 percent since July 1982 when the Consumer Price Index registered 292.4.

Nationally, the cost of living increased at a slower rate as the Consumer Price Index totaled 299.3, up four tenths of a percent from June. Reflecting Detroit area trends, transportation, fuel and miscellaneous goods and services all experienced higher prices on the national level. Between July 1982 and July 1983, national consumer prices rose by 2.4 percent. A year ago, the national Consumer Price Index stood at 292.2.

Hours and Earnings

The average workweek of Michigan production workers in manufacturing industries dropped from 42.5 hours in June to 42.0 hours in July. The decrease occurred primarily as a result of shorter hours worked by individuals in the electrical machinery industry. During the month, average hourly earnings rose by two cents to $11.66, while average weekly earnings fell by $4.32 to total $490.16. In July 1982, earnings averaged $11.35 an hour or $461.20 per week for a 40.6 hour workweek.

Industry	Average Hourly Earnings a/ July 1983	Average Hourly Earnings a/ June 1983	Average Hourly Earnings a/ July 1982	Average Weekly Hours a/ July 1983	Average Weekly Hours a/ June 1983	Average Weekly Hours a/ July 1982	Average Weekly Earnings a/ July 1983	Average Weekly Earnings a/ June 1983	Average Weekly Earnings a/ July 1982
TOTAL MANUFACTURING	**$11.66**	**$11.64**	**$11.35**	**42.0**	**42.5**	**40.6**	**$490.16**	**$494.48**	**$461.20**
DURABLE GOODS	12.18	12.12	11.83	42.4	42.7	40.7	516.03	517.95	481.13
Primary Metal Products	12.11	11.98	12.33	41.3	41.4	40.6	500.43	495.40	500.77
Fabricated Metal Products	11.34	11.47	10.92	41.4	41.6	39.1	468.98	477.89	426.41
Nonelectrical Machinery	11.70	11.58	11.45	40.4	40.7	39.6	472.56	471.11	453.16
Electrical Machinery	9.89	10.40	9.68	41.0	43.3	38.5	405.65	450.02	373.18
Motor Vehicles & Equip.	13.51	13.41	13.15	44.3	44.5	42.3	598.67	596.42	555.98
NONDURABLE GOODS	9.77	9.88	9.53	40.8	41.6	40.5	398.88	411.05	385.64
Contract Construction	14.22	14.33	14.07	37.6	37.4	37.0	535.47	535.16	520.35
Department Stores	6.17	6.17	5.79	29.3	28.9	31.8	180.82	178.32	184.12

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

Labor Surplus Areas Eligible for Federal Procurement Preference From June 1, 1982 through September 30, 1983

Eligible Labor Surplus Areas	Political Jurisdiction(s) Included
Alcona County	Alcona County
Alger County	Alger County
Alpena County	Alpena County
Allegan County	Allegan County
Antrim County	Antrim County
Arenac County	Arenac County
Baraga County	Baraga County
Barry County	Barry County
Bay County	Bay County
Benzie County	Benzie County
Berrien County	Berrien County
Branch County	Branch County
Calhoun County	Calhoun County
Cass County	Cass County
Charlevoix County	Charlevoix County
Cheboygan County	Cheboygan County
Chippewa County	Chippewa County
Clare County	Clare County
Clinton County	Clinton County
Clinton Township	Clinton Township in Macomb County
Crawford County	Crawford County
Dearborn City	Dearborn City in Wayne County
Dearborn Heights City	Dearborn Heights City in Wayne County
Delta County	Delta County
Detroit City	Detroit City in Wayne County
Dickinson County	Dickinson County
East Lansing City	East Lansing City in Ingham County
Eaton County, Balance of	Eaton County less Lansing City (part)
Emmet County	Emmet County
Flint City	Flint City in Genesee County
Genessee County, Balance of	Genesee County less Flint City
Gladwin County	Gladwin County
Gogebic County	Gogebic County
Grand Rapids City	Grand Rapids City in Kent County
Grand Traverse County	Grand Traverse County
Gratiot County	Gratiot County
Hillsdale County	Hillsdale County
Houghton County	Houghton County
Huron County	Huron County
Ingham County, Balance of	Ingham County less Lansing City (part), East Lansing City
Ionia County	Ionia County
Iosco County	Iosco County
Iron County	Iron County
Isabella County	Isabella County
Jackson County	Jackson County
Kalamazoo City	Kalamazoo City in Kalamazoo County
Kalkaska County	Kalkaska County
Kent County, Balance of	Kent County less Grand Rapids City, Wyoming City
Keweenaw County	Keweenaw County
Lake County	Lake County
Lansing City	Lansing City in Ingham County
Lapeer County	Lapeer County
Leelanau County	Leelanau County
Lenawee County	Lenawee County
Livingston County	Livingston County
Luce County	Luce County
Mackinac County	Mackinac County
Macomb County, Balance of	Macomb County less Clinton Township, Roseville City, St. Clair Shores City, Sterling Heights City, Warren City
Manistee County	Manistee County
Marquette County	Marquette County
Mason County	Mason County
Mecosta County	Mecosta County
Midland County	Midland County
Missaukee County	Missaukee County
Monroe County	Monroe County
Montcalm County	Montcalm County
Montmorency County	Montmorency County
Muskegon County	Muskegon County
Newaygo County	Newaygo County
Oakland County, Balance of	Oakland County less Farmington Hills City Pontiac City, Royal Oak City, Southfield City, Troy City, Waterford Township
Oceana County	Oceana County
Ogemaw County	Ogemaw County
Ontonagon County	Ontonagon County
Osceola County	Osceola County
Oscoda County	Oscoda County
Otsego County	Otsego County
Pontiac City	Pontiac City in Oakland County
Presque Isle County	Presque Isle County
Redford Township	Redford Township in Wayne County
Roscommon County	Roscommon County
Roseville City	Roseville City in Macomb County
Saginaw City	Saginaw City in Saginaw County
Saginaw County, Balance of	Saginaw County less Saginaw City
St. Clair County	St. Clair County
St. Clair Shores City	St. Clair Shores City in Macomb County
St. Joseph County	St. Joseph County
Sanilac County	Sanilac County
Schoolcraft County	Schoolcraft County
Shiawassee County	Shiawassee County
Sterling Heights City	Sterling Heights City in Macomb County
Taylor City	Taylor City in Wayne County
Tuscola County	Tuscola County
Van Buren County	Van Buren County
Warren City	Warren City in Macomb County
Washtenaw County, Balance of	Washtenaw County less Ann Arbor City
Waterford Township	Waterford Township in Oakland County
Wayne County, Balance of	Wayne County less Dearborn City, Dearborn Heights City, Detroit City, Livonia City, Redford Township, Taylor City, Westland City
Westland City	Westland City in Wayne County
Wexford County	Wexford County
Wyoming City	Wyoming City in Kent County

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